

Module 3: Winning Business and Growing Customer Relationships

Q: How do you spell 'Strategy'?

A: SALES!

This module sets out a framework, a route map to help you to refine a winning approach. Within it we offer a set of approach tips on the following key items:

- + Getting the business offer right
- + Establishing what business you want to be in
- + Positioning the business – points of difference
- + Identifying prospects – key considerations
- + The importance of having a client-focused mindset
- + Client planning and tracking – the FPS approach

Getting the Business Offer Right

You may not have thought about what you do in the sense of identifying specific products or services but you will need to now as knowing your business offer is Step 1 of getting your product suite organised.

TIP:

A useful approach is to ask the core question “What is my client brief likely to be about?” E.g:

- + Giving advice (advisory / mentoring / NED)
- + Delivering consulting support – to research, define, design and then to work on delivering a particular solution to a particular issue or to maximise an opportunity
- + Transfer of know-how – to coach, educate, train, develop an internal resource in a specific process
- + To create a programme / process for a client from scratch
- + To create a customised version of a programme they have already built. Something like this could involve a number of ingredients already mentioned and it could involve a licence to use your intellectual property
- + Facilitation / coaching services – to help a client to work through an agenda item.
- + To sell a product or service as a distributor / licence holder or as an introducer

These are just examples but they all tend to fit into three broad categories which put you into three types of business activity:

1. In defining and diagnosing (Define)
2. In helping clients to understand a topic, issue or opportunity better and then helping them to make a best-fit decision and plan (Deciding)
3. In implementation activities, i.e. actually delivering a particular plan of action (Developing and Implementing)

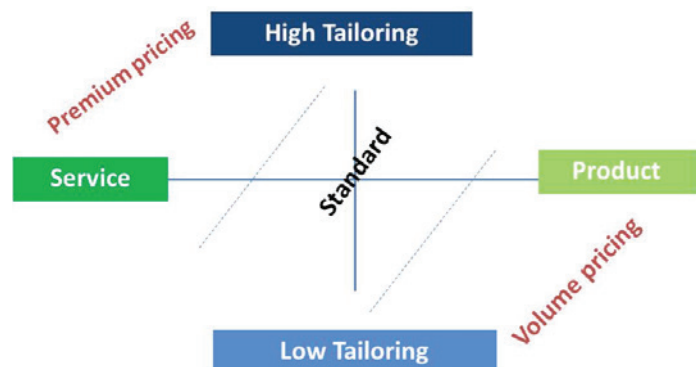
So, what business do you want to be in?

There is no right or wrong answer – it is a question of strategy but it is also a question of what you want to be doing for the best return and, of course, for the most satisfaction. Your response also has implications in terms of the way you present yourself, how you price your work and the degree to which you can productise what you do.

TIP:

With regards the latter, this model approach could be useful to think through to what degree you are offering a tailored service or product. Where and how will you position your business?

Where and how am I going to strategically position my business?



The top left-hand corner, broadly speaking, is the 'high tailoring' arena and could be a one-off activity. This is great if you can create a niche but very often the characteristics of this type of work are:

- + Highly absorbing and intensive, often complex
- + Can burn time
- + Specialist, creative, innovative, often deploying new thinking
- + Premium pricing as this is 'boutique'

Typically these can be for three months or more and can take you out of the market as the activity is intense so your pricing and business terms need to take this into account.

TIP:

- + Price on value not daily rate
- + Agree expenses
- + Structure business terms with stage payments and get an upfront commitment payment on contract

The bottom right-hand corner, broadly speaking, is where you have already created a pretty well-defined product (consulting process or facilitation, training product) and can apply it to meet the client need with little or no tailoring.

The key here is that the product is well packaged and delivery is more about implementation than diagnosis. Pricing should still be more on value but you will be aware that you are operating in a more volume marketplace.

This whole area is most likely going to be focused on 'transfer of know-how' (training / developing a number of people in a technique / tool / process) and therefore a programme or per person unit cost is appropriate.

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TIP:

A programme approach is typically safer as the emphasis is on the client to get the numbers and you invoice on a programme basis. Once again, specify expenses and structure business terms with an upfront commitment fee to help cashflow. When operating in this space you will be offering your time and a package of materials (content) either electronically or in hard copy format. Think about how you charge for this. Do you bundle or price separately?

The middle zone of the model is very interesting as you may be dropping down from a service (from the top left corner) or be taking a product up from the bottom right. In either case, think about your pricing carefully as premium pricing may be applicable in both situations depending on your positioning, packaging and uniqueness and because of the perceived value to your client.

TIP:

Think value from the client's perspective. Think about the way you design the service / product content in terms of the way you can obtain maximum client ownership, through advocates, through train-the-trainer support, through the way the content is integrated with the client's core process. Think delivery mechanism – What is the client's preference, e.g. Do you do it or does the client do it? Or is it a mix of both? Is it a licensing situation?

TIP:

In all three scenarios, the simple advice is:

- + Think client needs first – What do they need?
- + Think about the brief – What is crucial to get right?
- + Then think about where the brief fits into this grid. What is the service / product balance? What needs to be done?
- + Then position / organise the client specification
- + Then think pricing (value driven) and business terms

Identifying and Prospecting Clients

From your earlier work you will have started to form views on:

- + What you are going to offer
- + How you are going to offer it
- + Who you are going to approach

As with every topic in this section, there are many useful resources but nothing is better than talking with friends and contacts that are actually 'in the know'. You will also be pleasantly surprised at how helpful people will be.

To get you started, here are some top tips:

1. Create a Top 20 'aspirational' list of those organisations you assess could fit best for you in terms of:
 - + They potentially meet your market assessment criteria, i.e. they are likely to have a need)
 - + You respect them, perhaps had past dealings with them and know something that is taking place which could be a driver for the type of services you will be offering

2. Step back and select the Top 5 – What do you assess they could be most interested in? How would you rate their propensity to buy? Rank them in order of your assessment of their propensity to buy.
3. Ask the question "Do I know anyone who could help me to make contact with the decision-maker or can give me further intelligence that could lead me to the key people? Very often a stepping stone sequence is the way these situations are likely to unfold.
4. Build a 'sketch' of each of your prospective clients. Do some more desk research. Think again of the people you could talk to and the points you would like to investigate further.
5. Get out there! Being in the swim is the most important part of this ongoing process which is very much an art and a science. You learn by doing!
6. Think about relationship contact points, e.g. conferences, alumni events, joining relevant clubs / institutions. Be creative. The key is being proactive, treat every day as a 'fishing trip' – you may not catch anything today but the learning from each trip adds something to your body of knowledge.
7. Direct approaches through writing direct, via the use of LinkedIn and other social media, are all part of the mix.
8. You may want to think about doing a few pro bono pieces of work simply to gain experience and to hone your professional skills. This is good for confidence too and can be particularly good when you do it via a friend or contact that can act as a coach and give you feedback on your approach, style and delivery skills.
9. Use research and the gathering of intelligence to refine your thinking but there is no substitute for getting in front of the right people and learning about your market and about client needs.
10. Don't ever go in unprepared. Doing your homework is key as this will ensure you allocate and prioritise your time successfully. First impressions do count.
11. Never assume too much, in particular in the early days. "The mind is like a parachute, it is much better when it's open!"
12. Expect rejection, it goes with the territory so don't get over personal about meetings being cancelled at short notice, people not calling back, emails not being responded to. These things will and do happen.
13. The best learning in life often comes from tough experiences – the big thing is to leverage learning so you are better next time around!
14. Relationship / consulting selling is like snakes and ladders. Getting on the 'ladders' by thinking things through, doing things in the right sequence with the right people is where you want to be. Staying too long focusing on the wrong things and wrong people, being over-fixed on hunches, not taking good advice,

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being too trusting and getting wrong-footed about the likelihood of something going to happen, not planning your time effectively are all examples of 'snakes' that can block your progress.

15. When you do get in front of people, the key piece of advice I would offer is to be yourself and be relaxed and then put yourself firmly in the mind of your potential client. Don't focus on selling but do focus on earning respect for who you are and what you do.

The importance of a client-focused mindset

- + The first golden rule is to put the client at the centre of the business and to build everything around them. If you do nothing else, do this! This means doing your homework, not just on the market but preparing as best as possible prior to any client conversation. Ask yourself 'If it were me, how would I like to be treated?' 'What might I potentially want to know?' Think 'Client' all the time, put yourself in your client's shoes.
- + Winning trust and respect is key in relationship and consultative selling. Think continually about how you can achieve this by demonstrating your understanding of the client's world and through your questions, enthusiasm and ability to relate. This builds respect, confidence and the potential for a longer-term relationship.
- + Remember always that clients are people and organisations don't buy things, people do! People buy from people, they buy because they can see the benefits of what is being offered. They make a decision that it is needed, they buy fundamentally on emotional grounds even if it is presented in logical terms so managing yourself and understanding your client's needs is not just useful, it is critical to winning business.
- + Our behaviour, our body language, the questions we ask to elicit needs, the points we make to relate benefits to these needs, the professionalism and integrity of our approach and our materials, all affect a client's buying decisions. There is much we can influence providing we listen well and put the client at the centre of our thinking.
- + Value, customer service (often initially inferred by how you come across and then checked out later by recommendations and references), the impact that you have in terms of the client's belief that you understand them and their needs are much bigger determinants of doing a deal than price. The research on why people buy or don't buy bears this out. In this real sense, you reap what you sow. It is all down to behaviour and how you come across.
- + So, thinking about things from the client's side of the table is always beneficial:
 - Walk in the client's shoes – try to understand their world
 - Listen to their points carefully and test your understanding whenever you feel you need clarity on the points being made
 - What else is on their mind?
 - Establish what is really important to them – then respond to this brief

In your client conversations:

- Show belief, enthusiasm and motivation for what you are offering
- Understand the client's viewpoint
- Establish the brief, i.e. what will make the difference? What is it they need?
- Listen, repeat, question, confirm back, summarise regularly, agree key points

Client Planning and Tracking – the FPS Approach

Client management so that you stay on top of your prospecting activities and of your various projects is an ongoing activity. Your activity needs to be managed and your information needs to be stored. Here is a simple approach you may like to adapt.

The FPS explained

F = Firm business. These are definite contracts and revenues agreed that can be scheduled in terms of payment, i.e. you know how much and when the money is coming in.

P = Prospective opportunities. These are clients who have received a proposal from you with an assessed conversion rate of 80%, i.e. highly likely to happen.

S = Speculative opportunities. These are estimated amounts of revenue and estimated timing. These would also include clients who have received a proposal but you assess the conversion rate is below 80%.

Clearly you can tweak these to suit your style of working and needs.

Using the FPS as a review format

- + What revenues do you know are coming in and when (F)
- + What can you do to move a client currently categorised as P into F?
- + How easy or difficult will this be?
- + Who can you talk to about this?
- + What can you do to move a client prospect currently categorised as S into P and then on to an F?
- + Where are the potential blockers / releasers?
- + How difficult / easy will this be?
- + How long will this take me?

You can be as comprehensive and sophisticated or as simple as you want to be. The key is to get at the essentials and to put your energy into those things that make a difference.

MODULE 3 SUMMARY

- + Be clear on what you are going to offer and how you are going to present it
- + Be clear on what business you are in
- + Think through your criteria for selecting clients and how you are going to get to them and build a relationship.
- + A key to success is adopting a client-focused mindset
- + Stay on top of your prospecting and client management by using the FPS approach or something similar